

Orco Property Group (the “Company”) – declaration on Polish corporate governance rules on January 2008

The Company declared to comply with all the rules included in the Code of Best Practice for WSE Listed Companies (the “Code”), except for the following:

Number of the Rule	Rule	Comments (justification for non-compliance with this rule)
II. 1. 4)	“A company should operate a corporate website and publish: the date and place of a General Meeting, its agenda and draft resolutions together with their legal basis as well as other available materials related to the company’s General Meetings, at least 14 days before the set date of the General Meeting.”	The Company follows up Luxembourg legislation.
II. 1. 6)	“A company should operate a corporate website and publish: annual reports on the activity of the Supervisory Board taking account of the work of its committees together with the evaluation of the work of the Supervisory Board and of the internal control system and the significant risk management system submitted by the Supervisory Board.”	The Company has no Supervisory Board.
II. 1. 7)	“A company should operate a corporate website and publish: shareholders’ questions on issues on the agenda submitted before and during a General Meeting together with answers to those questions.”	The Company follows up Luxembourg legislation.
II. 1. 11)	“A company should operate a corporate website and publish: information known to the Management Board based on a statement by a member of the Supervisory Board on any relationship of a member of the Supervisory Board with a shareholder who holds shares representing not less than 5% of all votes at the company’s General Meeting.”	The Company has no Supervisory Board.
II. 5.	“Draft resolutions of a General Meeting should have grounds attached, with the exception of resolutions on points of order and typical resolutions adopted in the course of an Ordinary General Meeting. In view of the foregoing, the Management Board should present grounds or request the person motioning for the inclusion of an issue on the agenda of a General Meeting to provide grounds.”	The Company follows up Luxembourg legislation.
III. 1.-9.	“Best Practice for Supervisory Board Members”	The Company has no Supervisory Board.
IV. 1.	“Presence of representatives of the media should be allowed at General Meetings.”	The Company follows up Luxembourg legislation.
IV. 2.	“The rules of General Meetings should not restrict the participation of shareholders in General Meetings and the exercising of their rights. Amendments of the rules should take effect at the earliest as of the next General Meeting.”	The Company follows up Luxembourg legislation.
IV. 8.	“The General Meeting or the Supervisory Board should ensure that the company authorized to audit financial statements changes at least once every seven financial years.”	The Company has no Supervisory Board.